## LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

LS 6815 NOTE PREPARED: Apr 5, 2011 BILL NUMBER: SB 418 BILL AMENDED: Feb 17, 2011

**SUBJECT:** Common Construction Wage.

FIRST AUTHOR: Sen. Kruse BILL STATUS: As Passed House

FIRST SPONSOR: Rep. Gutwein

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) This bill provides that the committee established in a county to determine the common construction wage for the county does not need to meet more often than once every three months and that the common construction wage determined at a meeting applies to all public works contracts awarded within the three months following the meeting. (Currently the committee must meet for each project.) The bill requires the committee to establish wages for all classifications that a county may need during the following three months.

The bill also removes a requirement that the Department of Workforce Development (DWD) must provide reports for each meeting of the committee.

Effective Date: July 1, 2011.

**Explanation of State Expenditures:** Removing the requirement that the DWD must provide reports for each meeting of the committee could reduce administrative expenses for the DWD.

## **Explanation of State Revenues:**

**Explanation of Local Expenditures:** The impact will depend on local action and will vary from unit to unit.

## **Explanation of Local Revenues:**

**State Agencies Affected:** DWD.

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**Local Agencies Affected:** Government units awarding contracts.

<u>Information Sources:</u> Michelle Marshal, Deputy Commissioner, DWD.

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.

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